

4. TERMS AND CONDITIONS. This assignment is made on the following terms and conditions:

(a) Until default by Assignor in payment of the principal, interest, or other indebtedness secured by the note and mortgage or in performance of any obligation or agreement under the note and mortgage, this assignment, or the assigned leases, Assignor may collect at the time of, but not before, the date provided for payment, all rents, income and profits arising under the leases or from the premises and retain use and enjoy the same.

(b) Upon or at any time after such default, Assignee may, at its option, without notice and without regard to the adequacy of the security, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, take possession of the premises described in the lease and hold, manage, lease and operate the same on such terms and for such period of time as Assignee may deem proper and, with or without taking possession of the premises demand, sue for, or otherwise collect all rents, income and profits of the premises, including those past due and unpaid, with full power to make from time to time all such alterations, renovations, repairs and replacements as may seem proper to Assignee, and apply such rents, income and profits to payment of all expenses of managing, operating and maintaining the premises, all expenses incident to taking and retaining possession of the premises, and the principal, interest and other indebtedness secured by the note and mortgage, together with all costs and attorneys' fees, in such order of priority as to any of the items mentioned in this paragraph as Assignee in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding. Exercise or nonexercise by Assignee of the options granted in this paragraph, or collection and application of rents, income and profits, shall not be considered a waiver of any default by Assignor under the note and mortgage or under the leases or this assignment.

(c) Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the premises or from any other act or omission of Assignee in managing the premises unless such loss is caused by the willful misconduct and bad faith of Assignee. Nor shall Assignee be obligated to perform or discharge nor does the Assignee undertake to perform or discharge any obligation, duty or liability under the lease or under or by reason

0807

4328 RW-2J